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Remarks at a Breakfast With Community Service Clubs in Riverside, California

July 31, 1992

Thank you very, very much for that warm welcome. And Governor, my friend Pete Wilson, thank you for that kind and generous introduction. You stole most of what I had planned to say—[*laughter*—but I don't want to take up too much of your Friday morning here. Let me just, before getting going, quickly thank some of our hosts: Jim Milam, who I met on the way in; Bill Bonnett; your able emcee, Bob Wolf, of the Lincoln Club, a man who also gave a fine introduction; Ken Calvert, a man who really can and will make a difference in Washington, DC; Paul Rout of the California Department of Social Services. And a quick hello to all you political types on the dais: Dave Kelly, Bill Leonard, Dan Hollingsworth, Ethel Silver. And I want to be sure to mention the various service clubs, particularly the Rotary, who I understand this is a routine breakfast meeting for Rotary here, but the other service clubs that joined in to make me feel so welcome.

This has been a big week for America, especially with Olympic games going on. I admit to being a special fan of Pablo Morales. He's a swimmer who missed out in '84. He didn't make the team in 1988, and then he came back this year to earn a gold medal at the ripe old age of 27. Now, I don't know why, but I kind of like a guy who proves that youth and inexperience are no match for maturity and determination. [*Laughter*]

We gather today at a moment of great change around the world; Pete touched on this. The past 4 years have been a rough time for Robert Ludlum and other fiction writers. With all that's been happening in the world, is there any more room left for imaginative scenarios? They said the Germans would never tear down the Berlin Wall. I remember the ridicule that Presi-

dent Reagan got when he stood and he said, "Take down that wall." A lot of people thought he was out of touch with reality, and he wasn't. They said Russians would never troop to the polls, but they are. They said the world would never come together to say "enough" to a Baghdad bully, but we did, and we will again if we have to. He is going to mind and match every one of those U.N. resolutions and live up to them. You believe me.

Now that we've changed the world, it is high time to change America. I believe our first priority must be to build an economy for the 21st century, a strong, vibrant economy that provides a good job for every American who wants one.

I wanted to come here and give a political speech. But out of total respect for the service clubs and recognizing the nonpolitical nature of these service clubs, I'm going to hold back.

But let me just tell those of you who are interested in politics, you wait 2 years from now—I mean 2 weeks from now—[*laughter*—you wait, because I've been going through a little javelin catching for about 10 months from the political opposition. And I cannot wait for our convention to roll up my sleeves and go after them and tell the American people what's really going on. They've been dishing it out for about 10 months, helped by some on the editorial pages. Let's see if they can take it, starting 2 weeks from now. That's the way I feel about it.

Now, back to my nonpolitical self here. [*Laughter*] Today I want to spend a few minutes really talking about a big part of my strategy for America's future. It's something you all are interested in, and it sometimes transcends politics. I'm talking about reforming our welfare system. We can't

afford the welfare system that we have today. The taxpayers know it; the recipients know it; the economists know it. Welfare is a system that literally wastes millions of tax dollars a year, and we can't afford that.

Welfare was designed to be temporary. Temporary. But today, more than half of all recipients receive a check for at least 8 years, and we can't afford that. Economic competitors are able to call on the ingenuity and industry of their entire society, and yet, welfare deprives our economy of millions of citizens who never learned the simple values of hard work and responsibility. We can't afford that system anymore.

Welfare punches a hole in the heart of the American dream. So let's fix the hole so we can fulfill the dream. This is not a new complaint, of course. We've known of welfare shortcomings for years, even decades. So today I invoke what you might call "the Willis Carrier principle." Willis Carrier is the guy who was responsible for your being here in Riverside this morning. Here's why: For centuries men and women have complained about hot, sticky weather, or in some cases, hot, dry weather, and never did anything about it. Then in 1914 Willis Carrier decided to do something about it, and he invented air conditioning. Here's the real interesting part: Carrier invented air conditioning in Buffalo, New York—[laughter]—which is like someone inventing a tanning bed out here in California.

But the Carrier principle is this: Talk doesn't matter; action counts. The good news about our welfare system is that today, without a lot of hype or fanfare, real action is taking place. Today my administration is releasing a paper that describes the changes, the progress, and yes, the opportunity. All our reforms are based on the simple belief that the principles that guide change are the principles that should never change.

One of those principles is an old idea called trust. I put my trust in people. I put my trust in people, not in the Federal Government. I believe that with the right incentives, people can be trusted to do the right thing.

The old welfare system failed because when a recipient wanted to get a job and earn money, welfare said no. And when you

wanted to keep your family together, welfare said no. And when you saved to go to college, if your family was on welfare, welfare said no. I want a system that rewards responsibility, and I want a system that says yes.

Now, in making these changes, I've put my trust in the States more than Washington. That's the philosophical underpinning of our approach to welfare. So a big part of our effort is to give States the freedom to make the changes they want, new ideas, new opportunities, new flexibility.

I asked Gail Wilensky, my very able welfare reform specialist who works with me in the White House, asked her this: What is the basic problem? She said that key old thinkers in the United States Congress and old thinkers in the bureaucracy really believe—it's a conviction with them—really believe that welfare policy should be controlled and dictated from Washington, DC. They are 100 percent wrong. We must put the trust in the States and in the communities and thus in the people.

Our initiatives come in many forms, and they take many shapes. From job training programs right here in Riverside to our successful effort to make sure that every eligible 4-year-old gets a head start before kindergarten. That's why we've increased funding and requests for funding in Head Start so much.

Our first priority is remarkable in its simplicity: Welfare should be a force to keep families together. And as I've traveled across America the past 3 years to every single State, I've come to agree more and more with a certain silver-haired philosopher named Barbara Bush, who I wish were here today. She puts it this way: What happens in your house is far more important than what happens in the White House. The family is the foundation of our Nation. But it's crumbling in places, and we must strengthen the family. That means changing the way welfare works.

Welfare was originally designed to help widows and is still oriented toward single parents. So if two parents stay together and one works even part-time, they can lose their check. Fathers faced an awful Hobson's choice: the kids or the weekly pay-

ment. And far too many chose the payment.

We've given States like Wisconsin the freedom to experiment with allowing moms or dads to work without losing payments. I believe it's time we encourage families to stick together and fathers to stick around. But when dads do take off, we don't forget. And last year, we collected a record \$6 billion in payments from these deadbeat fathers. If you're a dad and you're not around, my message is simple: There is nowhere for you to hide. You must do what's right by your family, by those children.

Keeping families together is a start, just a start. But we have to go even farther. We have to reward hard work, and we have to reward saving. You can't build a home without a hammer, and you can't build a dream without a job. Work isn't just good for our wallets. Work lifts us up. It elevates us. It teaches us values. It gives us a purpose.

But too often welfare has treated work as an afterthought or literally discouraged work altogether. So we've made a major commitment to job training, and we're pushing an idea that will allow recipients to pay for training and education and not have it cut from their benefits check. Training can't be an option, a thing I'll get around to later. We've given States like Oregon the authority to cut welfare checks if recipients don't learn a skill and get a job. And the point is this: 8 years is too long for someone to go without a skill or a purpose, for people who take welfare with no regard for self-improvement. We need to say, "Get a job, or get off the dole." Some recipients shop from State to State looking for the highest payments. We shouldn't encourage that practice; our system should not encourage that practice. States should be able to say, "You come here, you get a fair deal, not a free bonus."

Our third priority, perhaps the most important, is to promote personal responsibility. I hope you know how much I value children. One way to provide real relief from the craziness of Washington is sit down with a grandchild and read a book. But too many Americans, many on welfare, are having children they can't afford, can't support, just aren't ready for, and we have to do something about it. The system has

to find a way to do something about that. We're allowing States to decide if it's time to say, "No more money if you have another child." Let some try that. I know this is a tough call, a tough decision, but so is a system in which poverty is handed down from generation to generation.

These ideas are happening in Wisconsin, in New Jersey, in Oregon, in Maryland, and yes, right here in California. Pete Wilson is fighting hard against an entrenched bureaucracy there in Sacramento to end the practice of welfare shopping, to reward work, not welfare, to keep families together, to encourage learning, and to encourage responsibility.

So today I say to the people of California: Help your Governor make welfare work in California. It will encourage work. It will strengthen the family. And it will help save the most endangered species in California, the taxpayer.

Americans today lack faith in welfare. Recipients lack faith in welfare. But that's not welfare's greatest failing. Far greater is that welfare makes Americans lack faith in themselves.

The single mother riding the early bus in east L.A., the fearful teenager hiding from the gang in Chicago, the 6-year-old throwing rocks against the wall in Bed-Stuy back in New York, they all want what we want: a chance, hope, and opportunity. Giving them that chance is not just right for them; it is what is right for all of us. It is what is right for America. So let's work hard now to make these changes that will give dignity to those who have been stripped of their dignity.

Thank you very, very much for listening. Thanks for the welcome. And may God bless the United States of America.

Note: The President spoke at 8:15 a.m. at the Riverside Convention Center. In his remarks, he referred to James R. Milam, president, Riverside Rotary Club; William H. Bonnett III, lieutenant governor, Riverside Kiwanis; Robert Wolf, chairman, Riverside County Lincoln Club; Kenneth S. Calvert, Republican candidate for Congress in the 43d district of California; Paul Rout, assistant director, social services division of Riverside County; State legislators David Kelly

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and Bill Leonard; Dan Hollingsworth, chair, Ethel Silver, chair, Victory '92 in Riverside
Riverside County Republican Party; and County.

White House Fact Sheet: The President's Welfare Reform Strategy July 31, 1992

In his State of the Union Address, President Bush said his administration would help States that wanted to reform their welfare systems by granting a quick review of their welfare waiver requests. The President today called for additional welfare reform demonstrations and legislative changes that would create more flexibility for States and localities. The President's plan is detailed in an administration paper on welfare reform released today.

The Problem: Welfare Dependency

Currently there are more than 13 million recipients of Aid to Families with Dependent Children (AFDC) benefits, more than 25.5 million food stamps recipients, and more than 30 million people on Medicaid.

The problem addressed by the administration's proposals and paper released today is not welfare receipt but welfare dependency. Half of all new public assistance recipients will be off the rolls in less than 2 years. But too many others will be trapped in the system. At any point in time, about two-thirds of those on welfare will be on for 8 or more years.

Important determinants of dependency are: teen motherhood; dropping out of school; no prior work experience.

The consequences of dependency can be severe: long-term poverty; entrapment in crime ridden neighborhoods; and higher chances that one's children will themselves become dependent on welfare.

These and other facts about welfare receipt and dependency are reviewed in a data appendix to the paper released today.

The President's Principles

The President's fundamental goal for welfare reform is to create incentives that will enable welfare recipients to leave the system at the earliest possible time, as economically self-sufficient and responsible

participants in their community.

At the same time, we have begun to open the doors of opportunity to one of the larger groups that has been relegated to welfare dependency, individuals with disabilities. The Americans with Disabilities Act, which took effect recently, gives these individuals the opportunity to gain control over their own lives and compete for jobs on a level playing field.

Federal programs that serve welfare recipients must instill responsibility and serve as a ladder of opportunity.

Accomplishments

The paper released today reviews the administration's accomplishments, which include:

Expanding the Earned Income Tax Credit (EITC), which will provide an additional \$18 billion in assistance to low-income working families over the next 5 years.

Implementing the Job Opportunities and Basic Skills Training (JOBS) program. Over \$1 billion is available this year for job search, training, and education services, child care, and more than 500,000 welfare recipients are participating each month.

Increasing child support enforcement resulting in over \$6 billion collected in fiscal year (FY) 1992.

Expanding the Head Start program to \$2.8 billion in FY 1993 for all eligible 4-year-old children whose parents want them to participate, an increase of 127 percent since the President took office.

Pending Proposals

The President's welfare reform proposals that have been pending before the Congress include:

The Community Opportunity Act, proposed in May 1991. This proposal would create broad authority to permit testing of